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NCHER Webinar on the Federal Agenda - Fall 2023

On Wednesday, September 6, 2023, 2:00 – 3:00 pm ET, NCHER will hold a webinar to review upcoming federal developments for Fall 2023 with a focus on legislative and regulatory developments impacting the higher education finance community that took place in late summer and what we expect to take place in the fall as we head into the second half of the year. This is a member-only event, which means that you will need to be logged into the NCHER website to [register](#).

Federal Judge Dismisses Lawsuit Blocking Department of Education From Carrying Out Income-Driven Repayment Adjustment

On Tuesday, U.S. District Court for the Eastern District of Michigan, Northern Division, Judge Thomas Ludington issued an [opinion](#) dismissing the lawsuit filed by the Mackinac Center for Public Policy and Cato Institute challenging the U.S. Department of Education's plan to provide account adjustments for borrowers who made payments under an Income-Driven Repayment (IDR) plan. In the original [lawsuit](#), the groups asserted that the Department did not have the authority to adjust accounts, which resulted in loan forgiveness for over 800,000 borrowers, that the new policy violates federal law because it did not go through the negotiated rulemaking process, and the opportunity for public comment was not offered. Judge Ludington, who issued the opinion before the Biden Administration had a chance to respond to the lawsuit, said that the two groups lacked standing to challenge the IDR adjustments because they did not show they would be directly harmed by the loan forgiveness. The two groups said that they would appeal the case to the U.S. Court of Appeals for the Sixth Circuit. For further coverage of the IDR adjustment, see this article from [ABC News](#).

FOMC Releases Minutes for July Meeting Where It Raised Interest Rates

Earlier this week, the Federal Reserve's Federal Open Market Committee (FOMC) released the [minutes](#) from its meeting held on July 25-26, 2023. During the meeting, committee members voted to raise interest rates a quarter of a percentage point, leaving the federal funds rate at a range of 5.25 percent to 5.5 percent, the highest in 22 years. The minutes stated that real gross domestic product rose at a moderate pace over the first half of the year; the labor market remained very tight, though the imbalance between demand and supply in the labor market was gradually diminishing; and consumer price inflation remained elevated in May. The minutes also noted that economic activity had been expanding at a moderate pace, job gains had been robust in recent months, the unemployment rate remained low, and inflation remained elevated. Participants agreed that the U.S. banking system was sound and resilient, and commented that tighter credit conditions for households and businesses were likely to weigh on economic activity, hiring, and inflation. While the committee members remained highly attentive to inflation risks and said that there could still be further adjustments ahead, there were a couple of federal policymakers who did not want to raise interest rates in July. The minutes also reflected that "participants generally noted a high degree of uncertainty regarding the cumulative effects on the economy of past monetary policy tightening."

U.S. Department of Education News

For today's Federal Register, click [here](#).

The following announcements were posted to Federal Student Aid's Knowledge Center:

- [\(GENERAL-23-66\) Labor Day Federal Holiday Processing and Customer Service Hours](#)
- [\(GENERAL-23-65\) 2023 Virtual Federal Student Aid Training Conference – Program Information Now Available](#)
- [\(EDESUITE-23-05\) EDEExpress 2024–25 Modernization and Upcoming Training and Beta Test Opportunities](#)
- [\(GENERAL-23-64\) Unplanned Access Issue Affecting Some NSLDS Professional Access Users on Aug. 15, 2023 \(Resolved on Aug. 15, 2023\)](#)

Member News



Earlier this week, Kentucky Governor Andy Beshear declared August 2023 as College Info Road Show Month in the Commonwealth, marking the 25th anniversary of the Kentucky Higher Education Assistant Authority's (KHEAA) mobile classroom. As part of KHEAA's outreach programming, the College Info Road Show visits middle schools, high schools, adult education centers, public

libraries, and a variety of other venues, offering an interactive and engaging way for students to explore college and careers. "The College Info Road Show helps students select the best opportunities for them, while learning about options for financial aid," Lt. Gov. Jacqueline Coleman said. "As a former educator, I've seen first-hand how personalized outreach programs like KHEAA's mobile classroom can make a huge difference as students plan for their futures." Sessions on board the College Info Road Show help students explore colleges and careers and provide an overview of student financial aid programs.

General News

[Higher Education Dive](#) reports that several senators, led by Senate Health, Education, Labor, and Pensions Committee Chair Bernie Sanders (I-VT) urged the U.S. Department of Education to help end legacy and donor preferences in admissions in the wake of the recent decision by the U.S. Supreme Court striking down race-conscious admissions.

[The Chronicle of Higher Education](#) reports on how systemic barriers can block the path of students from community college to bachelor's degrees.

[The Wall Street Journal](#) reports on calls for greater transparency on financial data from colleges and universities, following a recent investigation into institutional costs.

[Bloomberg Law](#) reports that fast-approaching fall deadlines ending the federal student loan payment pause has increased pressure on employers to help workers, eroding the early allure of a 401(k) loan matching program included in the SECURE 2.0 Act set to take effect next year.

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